

Testimony in support of HB 5257: An Act Concerning Hospital Employees and Hospital Conversions



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February 27, 2014

Members of the Labor and Public Employees Committee:

The CT Alliance for Retired Americans, with a membership of over 53,000 seniors, supports the passage of the House Bill 5257. Our members are elderly, becoming increasingly more vulnerable, and often consumers of hospital services. Consequently, we are quite concerned about the recent trend of healthcare becoming a for-profit industry which often happens at the expense of quality healthcare services and accessibility. SB 5257, while allowing for change, would provide a level of oversight, transparency and protection for the public from some of the excesses of profit driven healthcare, and I urge you to pass this bill.

For-profits are more concerned and accountable to shareholders than to members of the communities that need their services. Therefore, decisions they make on services provided, staffing levels, staff compensation, hours of service, etc. - all of which impact quality of care - are often made based on the ability to make money for investors rather than the providing for the needs of the community. CEOs, and others distanced from actually patient care, often demand large salaries for driving down costs, even when that means quality of care suffers or certain hospital units are closed.

One of the protections absent in the bill is the requirement that a commitment is made to keeping existing facilities open after the merger or acquisition, and I hope you will consider adding that element of security for communities. Seniors worry that when hospital conversions are concluded, and cost cutting begins, expensive units like ER and ICU will be closed, thus access to important care will no longer be local, and loved ones will be in facilities too far away for elderly family members to visit.

Our members are also sensitive to the treatment of the hospital workforce as many of them retired from such service and were under collective bargaining agreements negotiated by their union. Even those of us not from the healthcare industry understand importance of a skilled staff, adequate staffing, and the need to protect good union jobs with good pay and retirement benefits. We understand why respect shown to workers promotes quality care, and that nurses and hospital workers need a voice in the workplace to advocate for conditions that support high standards of care.

This legislation helps give at least some level of protection for hospital workers during conversions.

We saw what happen when insurance companies changed from non-profit to for-profit companies. Dollars previously spent on care became profits for shareholders and major salary/bonus increases for management. Costs for employers and individuals, and denials of coverage increased rapidly. We would hate to see money intended for needed hospital care diverted to CEO compensation and profit requirements of massive hospital corporations from distant states or countries. HB 5257 is a step in the direction of providing protection for residents, workers and communities in Connecticut during this wave of hospital mergers and acquisitions.